

Arizona State Board for Charter Schools

1700 W. Washington St., Room 164, Phoenix, AZ 85007

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www.asbcs.az.gov

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USFRCS EXCEPTION AMENDMENT REQUEST

(Charter Holder Name) Sage Academy Inc (CTDS) 078688000

(Charter Holder Mailing Address) PO Box 1400

(City, State) Surprise, AZ (Zip) 85378-1400

(Charter Representative's Name) Lenny G Letcher, EA, RFC

(Phone Number) 623-583-0113 (Fax Number) 623-583-4451

Failure to submit all required documentation will result in the Amendment Request being returned without being processed. Faxed copies will not be accepted. Please send originals.

4. Exception to the USFRCS – (This exception will not be granted to State Board of Education sponsored charter schools)

Included are the following:

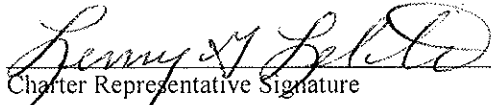
- Board minutes approving the change (minutes must comply with Open Meeting Law ARS §38-431.01)
- Complete policy for accounting (sample policy available on the ASBCS website)

All exceptions to the USFRCS will include:

- Charter Holder must utilize Generally Accepted Accounting Principles
- The Charter Holder is **NOT** exempt from filing the Annual Financial Report, the school report card data, annual auditing requirements, or any financial report request from the Arizona State Board for Charter Schools, the Auditor General, and the Arizona Department of Education
- The Charter Holder is responsible for any "cross-walks" necessary to complete reporting requirements

The Arizona State Board for Charter Schools and Sage Academy Inc (Charter Holder), herein agree to amend the terms of the charter contract as follows:

In witness whereof, Charter Holder has signed this contract amendment as of this 28 day of October, 2008, and the State Board for Charter Schools has signed this contract amendment as of this ____ day of ____, 200__, to take effect at such time as it is signed by both parties.


Charter Representative Signature

Representative Signature for the Arizona State Board for Charter Schools

Sage Academy

5334 E. Thunderbird Rd.
Scottsdale, AZ 85254

Tuesday, October 21, 2008

Meeting held at 6:30 p.m.

MINUTES of the GOVERNING BOARD

Pledge of Allegiance

Roll Call- Members Present:

Lenny Letcher- Member
Deborah Boehm-Principal
David Adams- Chairman
Debra Gasson- Member
Ruth Hyde- Member
Paul Martinez- Member

Call to the Public- Read by Debra Gasson.

Vote on June Minutes- June minutes were prepared by Debra Gasson. Motion made by Lenny Letcher to accept June minutes as read. Ruth Hyde seconded the motion. Motion passed.

Vote on July Phone Conference Minutes- June minutes were prepared by Debra Gasson. Motion made by Lenny Letcher to accept June minutes as read. Paul Martinez seconded the motion. Motion passed.

Old Business

J. Old Business

1. Prop 301 policy review- Lenny Letcher proposed that the 301 monies to include a section for teacher attendance and number of students in class, as well as performance. Lenny Letcher made a motion that 301 Policy for the performance review part would have a weighted designation including class size, performance reviews and attendance at a 40/50/10 split. Paul Martinez seconded the motion. Motion passed.
- 2 Discuss and review mission statement- Lenny Letcher made a motion to table this discussion to a workshop meeting to extract ideas and then to bring ideas to next meeting. Subject was tabled.

K. New Business-

1. Homeless and Title 1 Policy- Lenny Letcher made a motion to accept the Homeless Policy, Dispute Resolution Process Policy and Title 1 Policy. Ruth Hyde seconded the motion. Motion passed.
2. Parent/Student Handbook revisions- Ruth Hyde proposed the dress code policies be in the same area, not an addendum. Ruth Hyde made a motion to accept revisions. Paul Martinez seconded them. Motion passed.
3. Whistleblower Policy, Anti Fraud Policy, and Risk Assessment Policy- Lenny Letcher made a motion to accept revisions. Paul Martinez seconded them. Motion passed.

4. **Uniform System of Financial Records for Arizona Charter Schools (USFRCS)** - Lenny Letcher made a motion to request exemption from the USFRCS (See attached motions) Deborah Boehm seconded the motion. Motion passed.
5. **Teachers' Benefit Package**- School is paying \$200/month toward teachers' medical. Remainder of cost is the teachers' and Gap insurance was offered at the teacher's own expense. Dental is offered at the teacher's expense and Vision is provided free of charge.
6. **Teacher In-service Days and Parents' PTO meeting**- Teacher In-service days have included; Professional Development, Teacher grading and lesson planning, and Principal/teacher conferences. There has been one PTO meeting where a 9 parent counsel has been formed. Parents were allowed to ask questions and Deborah Boehm provided information about the school and about charter schools. Lenny Letcher had concerns about the policies being changed by parents, especially the dress code which was changed at the parent meeting. Lenny Letcher modified handbook policies should come back to the board for approval.
7. **Master Calendar**- Informational only.
8. **Financial Review**- Tabled to an Executive Meeting
9. **Charter School Association Conference**, Nov. 10th and 11th

Current Upcoming Events- Dress up day will be on October 31. Firefighters and their truck are coming on October 24. School going on Tolmachoff Farm trip November 13. November 20 will be a Thanksgiving Concert in the evening. Deborah Boehm is proceeding with getting a yearbook created. Pictures were taken October 20. December 18th is the Christmas concert. Lenny Letcher showed the new acquisition for the school, 25 laptops.

Recessed for Executive Session for Board Comments on Administrative Matters-

Date for Next Meeting- The next Governing Board meeting was set for November 18th, 2008 at 6:00 at Sage Academy.

Motion to Adjourn Meeting- Motion made by Deborah Boehm to adjourn meeting. Debra Gasson seconded the motion. Motion passed.

Executive Meeting

Financial Review-

Board Meeting Policies-

Redirect all board agenda to secretary.

Secretary to send minutes out to board a week after meeting.

Principal's report to be printed out.

All articles to be copied and presented at each meeting.

Minutes to be read at each meeting by secretary.

Agenda items to be sent in a week prior to meeting to all board members.

Motion:

Based upon the recommendation of all three of the auditors interviewed for our first year audited, and upon the strong recommendation by our selected auditors firm Eve Devolites Company, CPA, I hereby enter the following motion:

First, that we would act on the recommendations of the auditors and would request an immediate exception from the Uniform System of Financial Records for Arizona Charter Schools (USFRCS).

Secondly, that we follow the directions set forth by the Arizona State Board for Charter School and complete their USFRCS Exception Amendment Request

Lastly, that we would, as Sage Academy Inc. charter school, agree to adopt and follow all accounting policies and procedures that would comply with the generally accepted accounting principles (GAAP). This includes using an accounting system that provides for the proper recording and reporting of financial data and following standard internal control procedures. We further more agree that the school will utilize a chart of accounts that has been developed to align with the chart of accounts found in the Uniform System of Financial Records for Charter Schools (USFRCS) for the purposes of complying with budgeting and annual financial reporting. Revisions will be made periodically for changes in laws, regulations and accounting pronouncements that cover charter school accounting, financial reporting and compliance with state and federal laws

Board approved and adopted – October 20, 2008